| | | |
|---|---|---|
| Present Capacity | | 19435 MW |
| Capacity Addition Plan: | | |
| Balance during Ninth Plan | : | 500 MW |
| Tenth Plan | | 9900 MW |
| Eleventh Plan | | 10350 MW |
| NTPC Total by end 2012 | | 40185 MW |

The above capacity Addition Plan of NTPC is subject to 95% collection of current bills, 100% realization of past outstanding dues progressively through securitisation.

**Unit cost of power produced by DPC**

3283. DR. BIPLAB DAS GUPTA: Will the Minister of POWER be pleased to state:

(a) whether Government had scrutinised the unit cost of power production by Dabhol Power Company and also the component of Direct Foreign Investment in the total cost of the project before giving counter-guarantee to Enron;

(b) if so, the cost of production and the maximum price per unit of power for sale to consumers agreed to; and

(c) the nature of counter-guarantee including the liability of the Central Government involved in the counter-guarantee?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The Central Electricity Authority has given concurrence to the Dobhol power project on 14.7.1994 after examining various aspects of the project, including the capital cost. The coutner gurantee to the project has been issued on 15.9.1994. According to information received from MSEB, the First year tariff for phase-I of the project was indicated as Rs. 2.40 per unit at 90% load factor subject to certain assumptions. The component of Foreign Direct Investment has been examined, as in other cases, by the Foreign Investment Promotion Board (FIPB) after which approval for foreign collaboration was issued.

(c) GOI has issued counter guarantee to the Dabhol Power Company (DPC) for payment obligations of Government of Maharashtra (GOM) under the

GOM guarantee. GOI coutner gurantee can be invoked upon the failure of Maharashtra State Electricity Board (MSEB) to make payments to DPC under the PPA and consequent failure of GOM as well to make the same payment to DPC upon demand by the latter under the GOM Guarantee. GOM is the primary obligor and GOI is the secondary obligor under the GOI counter guarantee. GOI obligations are limited to covering annual payment obligations upto Rs. 1500 crore per annum, which amount is escalable based on certain parameters specified in the counter guarantee and also termination payments limited to covering outstanding foreign debt repayments, further limited upto USS 300 million only.

**Taking over Dabhol Power Project by AES Corporation**

3284. SHRI BJ. PANDA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the President of AES Corporation had met the Power Minister and expressed his intention to take over Dabhol Power Project in Mahrashtra and withdraw from the distribution business in Orissa; and

(b) if so, the response of the Government?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) The representatives of M/s. AES Corporation met the Minister of Power on 19th July, 2001 and discussed the problems being encountered in the distribution business in Orissa. They informed that if Government of Orissa and GRIDCO are not able to sort out the problems, AES may consider withdrawing from the distribution business in Orissa. No intention to take over the Dabhol Power Project was expressed by them.

(b) Does not arise.

**Power reforms**

3285. SHRI PREM CHAND GUPTA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the CH has told Government that unless reforms in the power sector introduced to ensure that power produced is paid for private investment (IPP) is of no use;

(b) whether the case of Enron was quoted where due to lack of reforms the MSEB was unable to pay for the power generated; and